

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 18
95TH GENERAL ASSEMBLY

Reported from the Committee on Progress and Development, February 19, 2009, with recommendation that the Senate Committee Substitute do pass.

0250S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 208.151 and 208.640, RSMo, and to enact in lieu thereof four new sections relating to the Missouri universal health assurance program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 208.151 and 208.640, RSMo, are repealed and four
2 new sections enacted in lieu thereof, to be known as sections 208.151, 208.640,
3 354.750, and 354.770, to read as follows:

208.151. 1. Medical assistance on behalf of needy persons shall be known
2 as "MO HealthNet". For the purpose of paying MO HealthNet benefits and to
3 comply with Title XIX, Public Law 89-97, 1965 amendments to the federal Social
4 Security Act (42 U.S.C. Section 301, et seq.) as amended, the following needy
5 persons shall be eligible to receive MO HealthNet benefits to the extent and in
6 the manner hereinafter provided:

7 (1) All participants receiving state supplemental payments for the aged,
8 blind and disabled;

9 (2) All participants receiving aid to families with dependent children
10 benefits, including all persons under nineteen years of age who would be
11 classified as dependent children except for the requirements of subdivision (1) of
12 subsection 1 of section 208.040. Participants eligible under this subdivision who
13 are participating in drug court, as defined in section 478.001, RSMo, shall have
14 their eligibility automatically extended sixty days from the time their dependent
15 child is removed from the custody of the participant, subject to approval of the
16 Centers for Medicare and Medicaid Services;

17 (3) All participants receiving blind pension benefits;

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 (4) All persons who would be determined to be eligible for old age
19 assistance benefits, permanent and total disability benefits, or aid to the blind
20 benefits under the eligibility standards in effect December 31, 1973, or less
21 restrictive standards as established by rule of the family support division, who
22 are sixty-five years of age or over and are patients in state institutions for mental
23 diseases or tuberculosis;

24 (5) All persons under the age of twenty-one years who would be eligible
25 for aid to families with dependent children except for the requirements of
26 subdivision (2) of subsection 1 of section 208.040, and who are residing in an
27 intermediate care facility, or receiving active treatment as inpatients in
28 psychiatric facilities or programs, as defined in 42 U.S.C. 1396d, as amended;

29 (6) All persons under the age of twenty-one years who would be eligible
30 for aid to families with dependent children benefits except for the requirement of
31 deprivation of parental support as provided for in subdivision (2) of subsection 1
32 of section 208.040;

33 (7) All persons eligible to receive nursing care benefits;

34 (8) All participants receiving family foster home or nonprofit private
35 child-care institution care, subsidized adoption benefits and parental school care
36 wherein state funds are used as partial or full payment for such care;

37 (9) All persons who were participants receiving old age assistance
38 benefits, aid to the permanently and totally disabled, or aid to the blind benefits
39 on December 31, 1973, and who continue to meet the eligibility requirements,
40 except income, for these assistance categories, but who are no longer receiving
41 such benefits because of the implementation of Title XVI of the federal Social
42 Security Act, as amended;

43 (10) Pregnant women who meet the requirements for aid to families with
44 dependent children, except for the existence of a dependent child in the home;

45 (11) Pregnant women who meet the requirements for aid to families with
46 dependent children, except for the existence of a dependent child who is deprived
47 of parental support as provided for in subdivision (2) of subsection 1 of section
48 208.040;

49 (12) Pregnant women or infants under one year of age, or both, whose
50 family income does not exceed an income eligibility standard equal to one
51 hundred eighty-five percent of the federal poverty level as established and
52 amended by the federal Department of Health and Human Services, or its
53 successor agency;

54 (13) Children who have attained one year of age but have not attained six
55 years of age who are eligible for medical assistance under 6401 of P.L. 101-239
56 (Omnibus Budget Reconciliation Act of 1989). The family support division shall
57 use an income eligibility standard equal to one hundred thirty-three percent of
58 the federal poverty level established by the Department of Health and Human
59 Services, or its successor agency;

60 (14) Children who have attained six years of age but have not attained
61 nineteen years of age. For children who have attained six years of age but have
62 not attained nineteen years of age, the family support division shall use an
63 income assessment methodology which provides for eligibility when family income
64 is equal to or less than equal to one hundred percent of the federal poverty level
65 established by the Department of Health and Human Services, or its successor
66 agency. As necessary to provide MO HealthNet coverage under this subdivision,
67 the department of social services may revise the state MO HealthNet plan to
68 extend coverage under 42 U.S.C. 1396a (a)(10)(A)(i)(III) to children who have
69 attained six years of age but have not attained nineteen years of age as permitted
70 by paragraph (2) of subsection (n) of 42 U.S.C. 1396d using a more liberal income
71 assessment methodology as authorized by paragraph (2) of subsection (r) of 42
72 U.S.C. 1396a;

73 (15) The family support division shall not establish a resource eligibility
74 standard in assessing eligibility for persons under subdivision (12), (13) or (14)
75 of this subsection. The MO HealthNet division shall define the amount and scope
76 of benefits which are available to individuals eligible under each of the
77 subdivisions (12), (13), and (14) of this subsection, in accordance with the
78 requirements of federal law and regulations promulgated thereunder;

79 (16) Notwithstanding any other provisions of law to the contrary,
80 ambulatory prenatal care shall be made available to pregnant women during a
81 period of presumptive eligibility pursuant to 42 U.S.C. Section 1396r-1, as
82 amended;

83 (17) A child born to a woman eligible for and receiving MO HealthNet
84 benefits under this section on the date of the child's birth shall be deemed to have
85 applied for MO HealthNet benefits and to have been found eligible for such
86 assistance under such plan on the date of such birth and to remain eligible for
87 such assistance for a period of time determined in accordance with applicable
88 federal and state law and regulations so long as the child is a member of the
89 woman's household and either the woman remains eligible for such assistance or

90 for children born on or after January 1, 1991, the woman would remain eligible
91 for such assistance if she were still pregnant. Upon notification of such child's
92 birth, the family support division shall assign a MO HealthNet eligibility
93 identification number to the child so that claims may be submitted and paid
94 under such child's identification number;

95 (18) Pregnant women and children eligible for MO HealthNet benefits
96 pursuant to subdivision (12), (13) or (14) of this subsection shall not as a
97 condition of eligibility for MO HealthNet benefits be required to apply for aid to
98 families with dependent children. The family support division shall utilize an
99 application for eligibility for such persons which eliminates information
100 requirements other than those necessary to apply for MO HealthNet
101 benefits. The division shall provide such application forms to applicants whose
102 preliminary income information indicates that they are ineligible for aid to
103 families with dependent children. Applicants for MO HealthNet benefits under
104 subdivision (12), (13) or (14) shall be informed of the aid to families with
105 dependent children program and that they are entitled to apply for such
106 benefits. Any forms utilized by the family support division for assessing
107 eligibility under this chapter shall be as simple as practicable;

108 (19) Subject to appropriations necessary to recruit and train such staff,
109 the family support division shall provide one or more full-time, permanent
110 eligibility specialists to process applications for MO HealthNet benefits at the site
111 of a health care provider, if the health care provider requests the placement of
112 such eligibility specialists and reimburses the division for the expenses including
113 but not limited to salaries, benefits, travel, training, telephone, supplies, and
114 equipment, of such eligibility specialists. The division may provide a health care
115 provider with a part-time or temporary eligibility specialist at the site of a health
116 care provider if the health care provider requests the placement of such an
117 eligibility specialist and reimburses the division for the expenses, including but
118 not limited to the salary, benefits, travel, training, telephone, supplies, and
119 equipment, of such an eligibility specialist. The division may seek to employ such
120 eligibility specialists who are otherwise qualified for such positions and who are
121 current or former welfare participants. The division may consider training such
122 current or former welfare participants as eligibility specialists for this program;

123 (20) Pregnant women who are eligible for, have applied for and have
124 received MO HealthNet benefits under subdivision (2), (10), (11) or (12) of this
125 subsection shall continue to be considered eligible for all pregnancy-related and

126 postpartum MO HealthNet benefits provided under section 208.152 until the end
127 of the sixty-day period beginning on the last day of their pregnancy;

128 (21) Case management services for pregnant women and young children
129 at risk shall be a covered service. To the greatest extent possible, and in
130 compliance with federal law and regulations, the department of health and senior
131 services shall provide case management services to pregnant women by contract
132 or agreement with the department of social services through local health
133 departments organized under the provisions of chapter 192, RSMo, or chapter
134 205, RSMo, or a city health department operated under a city charter or a
135 combined city-county health department or other department of health and senior
136 services designees. To the greatest extent possible the department of social
137 services and the department of health and senior services shall mutually
138 coordinate all services for pregnant women and children with the crippled
139 children's program, the prevention of mental retardation program and the
140 prenatal care program administered by the department of health and senior
141 services. The department of social services shall by regulation establish the
142 methodology for reimbursement for case management services provided by the
143 department of health and senior services. For purposes of this section, the term
144 "case management" shall mean those activities of local public health personnel
145 to identify prospective MO HealthNet-eligible high-risk mothers and enroll them
146 in the state's MO HealthNet program, refer them to local physicians or local
147 health departments who provide prenatal care under physician protocol and who
148 participate in the MO HealthNet program for prenatal care and to ensure that
149 said high-risk mothers receive support from all private and public programs for
150 which they are eligible and shall not include involvement in any MO HealthNet
151 prepaid, case-managed programs;

152 (22) By January 1, 1988, the department of social services and the
153 department of health and senior services shall study all significant aspects of
154 presumptive eligibility for pregnant women and submit a joint report on the
155 subject, including projected costs and the time needed for implementation, to the
156 general assembly. The department of social services, at the direction of the
157 general assembly, may implement presumptive eligibility by regulation
158 promulgated pursuant to chapter 207, RSMo;

159 (23) All participants who would be eligible for aid to families with
160 dependent children benefits except for the requirements of paragraph (d) of
161 subdivision (1) of section 208.150;

162 (24) (a) All persons who would be determined to be eligible for old age
163 assistance benefits under the eligibility standards in effect December 31, 1973,
164 as authorized by 42 U.S.C. Section 1396a(f), or less restrictive methodologies as
165 contained in the MO HealthNet state plan [as of] **on** January 1, 2005; except
166 that, on or after July 1, [2005] **2009**, less restrictive income methodologies, as
167 authorized in 42 U.S.C. Section 1396a(r)(2), [may] **shall** be used to [change]
168 **raise** the income limit [if authorized by annual appropriation] **to one hundred**
169 **percent of the federal poverty level;**

170 (b) All persons who would be determined to be eligible for aid to the blind
171 benefits under the eligibility standards in effect December 31, 1973, as authorized
172 by 42 U.S.C. Section 1396a(f), or less restrictive methodologies as contained in the
173 MO HealthNet state plan [as of] **on** January 1, 2005, except that less restrictive
174 income methodologies, as authorized in 42 U.S.C. Section 1396a(r)(2), shall be
175 used to raise the income limit to one hundred percent of the federal poverty level;

176 (c) All persons who would be determined to be eligible for permanent and
177 total disability benefits under the eligibility standards in effect December 31,
178 1973, as authorized by 42 U.S.C. 1396a(f); or less restrictive methodologies as
179 contained in the MO HealthNet state plan [as of] **on** January 1, 2005; except
180 that, on or after July 1, [2005] **2009**, less restrictive income methodologies, as
181 authorized in 42 U.S.C. Section 1396a(r)(2), [may] **shall** be used to [change]
182 **raise** the income limit [if authorized by annual appropriations] **to one**
183 **hundred percent of the federal poverty level.** Eligibility standards for
184 permanent and total disability benefits shall not be limited by age. **If federal**
185 **law or regulation authorizes the family support division to, by rule,**
186 **exclude the income or resources of a parent or parents of a person**
187 **under the age of eighteen and such exclusion of income or resources**
188 **can be limited to such parent or parents, then notwithstanding the**
189 **provisions of section 208.010, the division may by rule exclude such**
190 **income or resources in determining such person's eligibility for**
191 **permanent and total disability benefits;**

192 (25) Persons who have been diagnosed with breast or cervical cancer and
193 who are eligible for coverage pursuant to 42 U.S.C. 1396a
194 (a)(10)(A)(ii)(XVIII). Such persons shall be eligible during a period of
195 presumptive eligibility in accordance with 42 U.S.C. 1396r-1;

196 (26) Persons who are independent foster care adolescents, as defined in
197 42 U.S.C. Section 1396d, or who are within reasonable categories of such

198 adolescents who are under twenty-one years of age as specified by the state, are
199 eligible for coverage under 42 U.S.C. Section 1396a (a)(10)(A)(ii)(XVII) without
200 regard to income or assets.

201 2. Rules and regulations to implement this section shall be promulgated
202 in accordance with section 431.064, RSMo, and chapter 536, RSMo. Any rule or
203 portion of a rule, as that term is defined in section 536.010, RSMo, that is created
204 under the authority delegated in this section shall become effective only if it
205 complies with and is subject to all of the provisions of chapter 536, RSMo, and,
206 if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
207 nonseverable and if any of the powers vested with the general assembly pursuant
208 to chapter 536, RSMo, to review, to delay the effective date or to disapprove and
209 annul a rule are subsequently held unconstitutional, then the grant of
210 rulemaking authority and any rule proposed or adopted after August 28, 2002,
211 shall be invalid and void.

212 3. After December 31, 1973, and before April 1, 1990, any family eligible
213 for assistance pursuant to 42 U.S.C. 601, et seq., as amended, in at least three
214 of the last six months immediately preceding the month in which such family
215 became ineligible for such assistance because of increased income from
216 employment shall, while a member of such family is employed, remain eligible for
217 MO HealthNet benefits for four calendar months following the month in which
218 such family would otherwise be determined to be ineligible for such assistance
219 because of income and resource limitation. After April 1, 1990, any family
220 receiving aid pursuant to 42 U.S.C. 601, et seq., as amended, in at least three of
221 the six months immediately preceding the month in which such family becomes
222 ineligible for such aid, because of hours of employment or income from
223 employment of the caretaker relative, shall remain eligible for MO HealthNet
224 benefits for six calendar months following the month of such ineligibility as long
225 as such family includes a child as provided in 42 U.S.C. 1396r-6. Each family
226 which has received such medical assistance during the entire six-month period
227 described in this section and which meets reporting requirements and income
228 tests established by the division and continues to include a child as provided in
229 42 U.S.C. 1396r-6 shall receive MO HealthNet benefits without fee for an
230 additional six months. The MO HealthNet division may provide by rule and as
231 authorized by annual appropriation the scope of MO HealthNet coverage to be
232 granted to such families.

233 4. When any individual has been determined to be eligible for MO

234 HealthNet benefits, such medical assistance will be made available to him or her
235 for care and services furnished in or after the third month before the month in
236 which he made application for such assistance if such individual was, or upon
237 application would have been, eligible for such assistance at the time such care
238 and services were furnished; provided, further, that such medical expenses
239 remain unpaid.

240 5. The department of social services may apply to the federal Department
241 of Health and Human Services for a MO HealthNet waiver amendment to the
242 Section 1115 demonstration waiver or for any additional MO HealthNet waivers
243 necessary not to exceed one million dollars in additional costs to the state, unless
244 subject to appropriation or directed by statute, but in no event shall such waiver
245 applications or amendments seek to waive the services of a rural health clinic or
246 a federally qualified health center as defined in 42 U.S.C. 1396d(l)(1) and (2) or
247 the payment requirements for such clinics and centers as provided in 42 U.S.C.
248 1396a(a)(15) and 1396a(bb) unless such waiver application is approved by the
249 oversight committee created in section 208.955. A request for such a waiver so
250 submitted shall only become effective by executive order not sooner than ninety
251 days after the final adjournment of the session of the general assembly to which
252 it is submitted, unless it is disapproved within sixty days of its submission to a
253 regular session by a senate or house resolution adopted by a majority vote of the
254 respective elected members thereof, unless the request for such a waiver is made
255 subject to appropriation or directed by statute.

256 6. Notwithstanding any other provision of law to the contrary, in any
257 given fiscal year, any persons made eligible for MO HealthNet benefits under
258 subdivisions (1) to (22) of subsection 1 of this section shall only be eligible if
259 annual appropriations are made for such eligibility. This subsection shall not
260 apply to classes of individuals listed in 42 U.S.C. Section 1396a(a)(10)(A)(i).

208.640. 1. Parents and guardians of uninsured children with incomes of
2 more than one hundred fifty but less than three hundred percent of the federal
3 poverty level who do not have access to affordable employer-sponsored health care
4 insurance or other affordable health care coverage may obtain coverage for their
5 children under this section. Health insurance plans that do not cover an eligible
6 child's preexisting condition shall not be considered affordable
7 employer-sponsored health care insurance or other affordable health care
8 coverage. For the purposes of sections 208.631 to 208.659, "affordable
9 employer-sponsored health care insurance or other affordable health care

10 coverage" refers to health insurance requiring [a monthly premium of]:

11 (1) Three percent of one hundred fifty percent of the federal poverty level
12 for a family of three for families with a gross income of more than one hundred
13 fifty and up to one hundred eighty-five percent of the federal poverty level for a
14 family of three;

15 (2) Four percent of one hundred eighty-five percent of the federal poverty
16 level for a family of three for a family with a gross income of more than one
17 hundred eighty-five and up to two hundred twenty-five percent of the federal
18 poverty level;

19 (3) Five percent of two hundred twenty-five percent of the federal poverty
20 level for a family of three for a family with a gross income of more than two
21 hundred twenty-five but less than three hundred percent of the federal poverty
22 level.

23 The parents and guardians of eligible uninsured children pursuant to this section
24 are responsible for a monthly premium as required by annual state appropriation;
25 provided that]

26 **(1) No monthly premiums for families with a gross income**
27 **between one hundred fifty-one and two hundred twenty-five percent of**
28 **the federal poverty level; and**

29 **(2) No more than a fifty dollar monthly premium for families**
30 **with a gross income between two hundred twenty-six percent and three**
31 **hundred percent of the federal poverty level.**

32 The total aggregate cost sharing for a family covered by these sections shall not
33 exceed five percent of such family's income for the years involved. No
34 co-payments or other cost sharing is permitted with respect to benefits for
35 well-baby and well-child care including age-appropriate
36 immunizations. Cost-sharing provisions for their children under sections 208.631
37 to 208.659 shall not exceed the limits established by 42 U.S.C. Section 1397cc(e).
38 If a child has exceeded the annual coverage limits for all health care services, the
39 child is not considered insured and does not have access to affordable health
40 insurance within the meaning of this section.

41 2. The department of social services shall study the expansion of a
42 presumptive eligibility process for children for medical assistance benefits.

354.750. 1. Sections 208.151, RSMo, 208.640, RSMo, 354.750 and
2 **354.770 may be known and shall be cited as the "Missouri Universal**
3 **Health Assurance Act".**

4 2. There is hereby established a "Missouri Universal Health
5 Assurance Commission" to study the implementation of a universal
6 health assurance program for the purpose of providing a single,
7 publicly financed statewide program to provide comprehensive
8 necessary health care services, including preventive screening, for all
9 residents of this state.

10 3. The commission shall consist of the following:

11 (1) Two members from the senate, one appointed by the
12 president pro tem and one by the minority floor leader of the senate;

13 (2) Two members from the house of representatives, one
14 appointed by the speaker of the house and one by the minority floor
15 leader of the house;

16 (3) The director of the department of health and senior services,
17 or his or her designee;

18 (4) The director of the department of social services, or his or
19 her designee; and

20 (5) The director of the department of mental health, or his or her
21 designee;

22 (6) Nine members appointed by the governor with the advice and
23 consent of the senate:

24 (a) Two physicians;

25 (b) One registered nurse;

26 (c) One licensed health care provider who is neither a physician
27 nor a registered nurse;

28 (d) One dentist;

29 (e) One medical director of a mental health facility;

30 (f) One municipal or county public health administrator;

31 (g) One person with a physical disability; and

32 (h) One professional consumer advocate.

33 4. Members of the commission shall be reimbursed for the actual
34 and necessary expenses incurred in the discharge of the member's
35 official duties. A chair of the commission shall be selected by the
36 members of the commission and shall meet as necessary. The
37 department of social services shall provide technical, actuarial, and
38 administrative support services as required by the commission.

39 5. The commission shall have as its goals:

40 (1) The immediate implementation of less restrictive income

41 methodologies for the MO HealthNet elderly and permanently and
42 totally disabled population under subdivision (24) of subsection 1 of
43 section 208.151, RSMo, and for children under section 208.640, RSMo,
44 in order to provide coverage for such populations while the
45 establishment of the health assurance coverage program is
46 implemented;

47 (2) Timely access to health services of the highest quality for
48 every resident of the state so that all may benefit;

49 (3) The provision of adequate funding for health care; and

50 (4) Lower health care spending through streamlined
51 administration, a single bill, and uniform payments.

52 6. The commission shall study the effect of less restrictive
53 income methodologies for the MO HealthNet elderly and permanently
54 and totally disabled population as found in subdivision (24) of
55 subsection 1 of section 208.151, RSMo, and children under section
56 208.640, RSMo, and also study any other possible MO HealthNet
57 populations requiring immediate coverage while the establishment of
58 universal health coverage is achieved.

59 7. The commission shall submit annual reports on December 31,
60 with the first preliminary report due on December 31, 2009, on a plan
61 to establish the universal health assurance program.

354.770. 1. There is hereby created in the state treasury the
2 "Missouri Health Care Trust Fund" which shall consist of all federal
3 payments received as a result of any waiver of requirements granted
4 by the United States Secretary of Health and Human Services under
5 health care programs established under Title XVIII and Title XIX of the
6 Social Security Act, as amended, and all gifts, donations, transfers, and
7 moneys appropriated by the general assembly and bequests to the fund
8 for the purpose of implementing a universal health assurance program
9 as described under section 354.750. The fund shall be administered by
10 the department of social services.

11 2. The state treasurer shall be custodian of the fund and may
12 approve disbursements from the fund in accordance with sections
13 30.170 and 30.180, RSMo. Notwithstanding the provisions of section
14 33.080, RSMo, to the contrary, any moneys remaining in the fund at the
15 end of the biennium shall not revert to the credit of the general
16 revenue fund. The state treasurer shall invest moneys in the fund in

17 **the same manner as other funds are invested. Any interest and moneys**
18 **earned on such investments shall be credited to the fund.**

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Bill

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